RJ Reynolds
Tobacco Company

Mark Young
New York Metro

February 24, 1997

To: The New York Metro Management Team
(KAM's, DM's, RM's, AM's)

Subject: **Salem Repositioning / Postponed**

Dear Managers,

By now everyone has received the voice-mail messages from Mike or Rory on the above meeting. The RJR Executive Management Team has made the decision to set the Salem Program for New York City back one month. This will allow additional time for Executive Management to evaluate the total cost of the program and eliminate any of the expenses that would have been charged to first quarter's earnings.

* *2/5/97 (wed):*	*Half day meeting for DM's & RM's*	***Postponed/TBD***
* *2/6/97 (th) :*	*Half day meeting / general session*	***Postponed/TBD***
* *2/7/97 (fri) :*	*Morning Division breakout meetings*	***Postponed/TBD***

At the same time, the scheduled meeting in the ROU this Wednesday for the DM's and RM's to develop the meeting information for the breakout meetings, is also canceled. We will reschedule this meeting as soon as we get a new schedule from the Salem group.

Now to the big issue, and that is the "softness" of our business nationally in first quarter, as well as in the region. Nationally RJR and Industry shipments are off substantially. It's important that the KAM's and AM's monitor the wholesale stocklevels and minimize any potential out-of-stocks or low stock conditions. It appears that the wholesale industry is slowly reducing floor stock on a national basis. The Sales / Territory and Retail Representatives should also take a good look at our inventory levels at retail and make sure we do have adequate inventory to do business. A concentrated effort should be placed on getting current promotions out of the wholesale accounts and into the stores and most importantly, strong execution of our Price Gap Strategy in all stores.

We will inform everyone as soon as possible on the new dates for the NYC Salem Meeting in Atlantic City.

Sincerely,
Mark Young

cc: Dave Wilmesher
Mike McHugh
Rory O'Rourke

51842 4291

Source: https://www.industrydocuments.ucsf.edu/docs/rxdp0000